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TAGS: [ECON](#) [PREL](#) [PGOV](#) [PA](#)  
SUBJECT: CHRONICLES OF A MESS FORETOLD - PARAGUAY'S  
AGROCHEMICAL LEGISLATION

¶1. (SBU) President Lugo signed a decree in late April 2009 that tightly regulated the use of agrochemicals and pesticides for agricultural production. The decree limited spraying to at least 100 meters from waterways, wetlands, roads and populated areas, and required a natural buffer-wall (trees) of least 10 meters in width and 2 meters in height. It also mandated an environmental impact statement prior to any spraying, and obliged producers to submit written notices to residents, including radio and television announcements, at least 24 hours in advance. The decree established that officials from the Agricultural Health and Quality Service (SENAVE) must be on-site supervising the spraying (at the producer's expense). It set fines for violations, required payment of medical expense for any allegations of health problems, and set weather parameters (temperature and wind conditions) for spraying.

¶2. (SBU) Almost simultaneously, a producer-backed bill to regulate the use of agrochemicals and pesticides passed Congress in early May. The bill reduced the minimum buffer-distance for spraying from a 100 to 50 meters, and added flexibility to the required measures for a natural buffer-wall. The bill differentiated compliance requirements according to the pesticide used, and set less stringent standards for advance public notices prior to spraying. Instead of SENAVE, the bill proposed the Ministry of Agriculture (MAG) as the government entity responsible for monitoring compliance. Social organizations and campesinos opposed the bill as too lax.

¶3. (SBU) The April decree generated strong and united opposition from agricultural producers which argued it was unrealistic, mischaracterized the impact of expanding mechanized production, and unnecessarily increased production costs. Producers planned a massive protest against the decree August 10 (just before Lugo's one year anniversary as President August 15) by blocking the main roads with tractors in a "tractorazo" along nearly 700 miles of roads nationwide. Leaders from social organizations responded by proposing a counter-march on the same day. Lugo responded by annulling the decree and vetoing the bill in late July in an attempt to diffuse tensions with agricultural producers and appease social organizations. Producers called off the "tractorazo", but social organizations announced July 30 that they will intensify and redirect their efforts with a protest now aimed at the government, arguing that Lugo caved to pressure from producers. The social organizations' demands now include: land reform, access to credit, judicial reform, and a referendum on Congress. Organizers are claiming that they will mobilize more than 100,000 people in a protest to take place August 10-15. (NOTE: Post believes protest organizers are overestimating their ability to mobilize large numbers. Recent protests have numbered several thousand people, which is a more reasonable estimate. END NOTE.)

14. (SBU) COMMENT: Debate over agrochemicals has fueled social unrest in the past weeks. Both the decree and the bill failed to recognize the government's weak institutional capacity to guarantee compliance, and lacked an objective and honest assessment of the trade-off between economic and environmental protection interests. Lugo's attempt to resolve the dispute calmed the waters with agriculture producers, but frustrated social organizations and campesinos. In the end, there is no legislation to strengthen the regulatory framework for the use of agrochemicals and pesticides, and some degree of social unrest is imminent. END COMMENT.  
Holloway